

energy
metro

DESK

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Vol 1 Issue 12

End of Season

in this issue:

CFTC on Center Stage,

New Bentek Pricing Report...

plus Around the Desk, Emissions Desk,

Word on the Street, Dr. Bob Michaels, and much more...



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news from energy data hub partners

Per-Otto Wold, CEO of Point Carbon, describes the energy data hub as a “new paradigm for energy risk management.” Well, if the data flows as expected, and if the new indices created from all this wonderfully deep transactional data are as good as advertised, he may be right.

Point Carbon invested a tidy sum into the data hub project recently and has since relocated folks from Oslo to Houston to ride shotgun on the new joint venture company. The fact Point Carbon is in this deep speaks directly to their overall plans for the US market. In the EU, they own the joint when it comes to emissions market data and analysis. Not so over here, he says, but give it some time. The firm has launched a number of products already, covering power, RGGI markets and NA carbon in a broad sense. Partial ownership in the data hub is another part of the US market play. He says based on all the troubles with market indices the energy sector has sweated through over the years, an entity like the data hub is sorely needed.

The first wave of market data and indices coming out of the hub will be North American power, followed by natural gas, then who knows. Wold wouldn't put a date on the launch for the hub, but said the schedule is “aggressive.” A follow-up conversation with Data Hub CEO Bob Anderson puts the launch at the top of the year for raw data, and quite possibly price and liquidity indices, which will be Data Hub branded. This is new. Wold wouldn't say whether Point Carbon would also develop price indices based on data output, or if SNL, the data hub's other partner/redistributor, would do the same. These details are still under consideration. However, he says job one right now is to build on all the work done through the CCRO and to build out the list of participating companies in the Hub. Anderson says this aspect of the operation is taking up most of his time at the moment.

On the tech side of things, the Hub itself will be designed and coded internally, but it's now looking like the databases will be housed in DTCC facilities. Industry favorite Depository Trust and Clearing Corporation (DTCC) is also a partner (small “p”) in the operation. DTCC, through its subsidiaries, provides clearing, settlement and information services for equities, corporate and municipal bonds, government and mortgage-backed securities, money market instruments and over-the-counter derivatives.

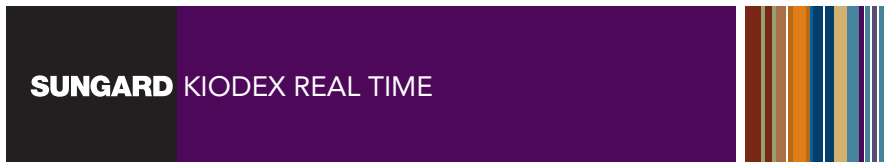
We pressed Wold on how the outputted data will be priced but came up short. He says this is also being worked out at the moment, but, suffice it to say, if

you submit data to the Hub (i.e., become a data contributor), your price will be less than if you don't contribute.

While it's true a lot of such details have yet to be worked out, Wold says this project is of the “visionary” scale, so all efforts are being put into securing data feeds, building the technology and setting market data standards. “Basically, if you trade power,” he says, “we want to get you involved as soon as possible.”

Contact Hub CEO Bob Anderson at bob.anderson@energydatahub.com for more information on how you can start contributing to the Hub or, perhaps more importantly to you, how you can secure data from the Hub in the future.

When waiting isn't an option...



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